

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 207458  
ORIGIN EA-12

INFO OCT-01 ISO-00 EB-08 L-03 COME-00 TRSE-00 /024 R

DRAFTED BY EA/PHL: J C MONJO:GAM  
APPROVED BY EA/PHL: J C MONJO  
-----108578 161725Z /53  
P 161701Z AUG 78  
FM SECSTATE WASHDC  
TO AMEMBASSY MANILA PRIORITY

LIMITED OFFICIAL USE STATE 207458

E.O. 11652: N/A

TAGS: EFIN, RP

SUBJECT: PHILIPPINE TAX ON CAPITAL GAINS

1. THE LAW FIRM OF DEWEY, BALLANTINE HAS ASKED FOR INFORMATION ON A NEW LAW THEY UNDERSTAND WENT INTO EFFECT IN THE PHILIPPINES JUNE 11, 1978. ACCORDING TO THEIR SOURCE, WHOM THEY DID NOT IDENTIFY, THIS NEW LAW PROVIDES FOR TAXATION OF ANY CAPITAL GAINS REALIZED FROM THE SALE OF STOCK IN A PHILIPPINE CORPORATION, REGARDLESS OF WHERE THE STOCKHOLDER RESIDES OR HAS CITIZENSHIP. IF TRUE, DEWEY, BALLANTINE BELIEVES THIS COULD CONFLICT WITH SEC REGULATIONS AND WOULD HAVE TO BE DISCLOSED TO AMERICAN SHAREHOLDERS OF PHILIPPINE CORPORATIONS WHICH ARE TRADED ON US EXCHANGES.

2. GIVEN THE SKETCY DESCRIPTION PROVIDED, CAN EMBASSY PROVIDE ANY INFORMATION OR TEXT OF SUCH A LAW? CHRISTOPHER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** REPORTS, TAXES, CAPITAL GOODS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE207458  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** J C MONJO:GAM  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780335-0643  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1978/newtext/t19780858/aaaabwbc.tel  
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**Litigation Codes:**  
**Litigation History:**  
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**Office:** ORIGIN EA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 1  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 04 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Event:** n/a  
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**SAS ID:** 1720141  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PHILIPPINE TAX ON CAPITAL GAINS  
**TAGS:** EFIN, RP  
**To:** MANILA  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
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